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The State of Innovation and Entrepreneurship Research

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1. Entrepreneurship as an Antecedent of Innovation

“Innovation is the specific tool of entrepreneurs, the means by which they exploit change as an opportunity for a different business or service. It is capable of being presented as a discipline, capable of being learned, capable of being practiced. Entrepreneurs need to search purposefully for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation. And they need to know and to apply the principles of successful innovation.”

Drucker [1] (p. 28)

Innovation is informed by the ability to see connections, spot opportunities, and take advantage of them. However, innovation does not happen automatically; it is driven by entrepreneurship. This quote by Drucker highlights the impulse behind changing products, processes and services that stems from individuals who make innovation happen. Indeed, entrepreneurship has always been considered a constituent part of any innovative process and, as an extension, a crucial determinant of economic performance [2,3]

Kirzner [3] identified the function of entrepreneurship as a market discovery process, which highlights the processes of recognition and discovery of underexplored opportunities, the propensity to assume risk and launch a new business, and the capacity entrepreneurs have to move from discovery to real entrepreneurial action. Therefore, one could define an entrepreneur as someone who sees an opportunity and has the ability to act on that perception [4,5]. However, entrepreneurship is not constrained to starting a company. It involves a mixture of vision, passion, energy, insight, judgement and the plain hard work needed for good ideas to become a reality. Moreover, entrepreneurship and entrepreneurial innovation can occur in a variety of settings, including small or large companies and governmental agencies. Whether it is an individual seeking to find a new product or service to make their fortune, or a large established organisation looking for new market space, the challenge is one of finding opportunities for innovation. Innovation makes a huge difference to organisations of all shapes and sizes.

Those enterprises that survive do so because they are capable of regular and focused change [6,7]. New ventures that innovate are able to offer new or different goods or services to the market, enabling them to differentiate themselves from their competitors. When new ventures have this competitive advantage, it gives them an opportunity to attract new customers or retain the ones they already have. If entrepreneurs do not change what they offer the world and how they create and deliver it, they risk being overtaken by others who do.

The papers in this Special Issue share a belief in the importance of innovation in entrepreneurship. The focus is on entrepreneurial innovators who forge new paths and break with accepted ways of doing business, creating new combinations that result in novel products, services, and operating practices.

2. Articles in this Special Issue

In his article entitled “The Effect of Intrinsic and Extrinsic Motivations on Academics’ Entrepreneurial Intention”, Professor Nicolli studies the antecedents of academics’ entrepreneurial intention. This intention predicts the identification of entrepreneurial opportunities [8,9]. In so doing, Professor Nicolli distinguishes between motivations that are correlated with entrepreneurial intention and those that are associated with entrepreneurial behaviour. The empirical evidence is provided by data collected from the entire staff population at the University of Ferrara (Italy). The main finding is that intrinsic motivations alone are sufficient as antecedents of scientists’ entrepreneurial intention. Moreover, the author finds that young researchers tend to be extrinsically motivated to set up a firm when they find themselves in an environment that looks down on technology transfer activities. By contrast, he also finds that late in their careers professors tend to be driven by extrinsic motivations when working in a research group that looks favourably upon the economic/monetary exploitation of research results.

Professor Faria’s article “Farmer-Entrepreneurs and Innovations: Explosive R&D Cycles?” analyzes how farmer-entrepreneurs’ innovations relate to their industrial partners’ research and development. Farmer-entrepreneurs differ from traditional farmers in that the former are more responsive to shifts in market demand through changes in preferences. As a result, they become more closely connected to supply chains, and integrate into the industry by creating new networks and social ties. The author proposes a dynamic model of technological innovation and rural entrepreneurship. Out of the five dimensions of innovative behavior identified by North and Smallbone [10]—product and service innovation, market development, marketing methods, process technology, and innovation—this article focuses on process technology and innovation at the level of farm and food processing firm. The author finds that in equilibrium, agricultural pricing and output are raised by increases in technological innovation at farm level, public agricultural research, entrepreneurial talent, the price of the final processing goods, and R&D in the processing sector.

In their article entitled “Universities knowledge transfer office’s social responsibility”, Professors Martín-Rubio and Andina address the leadership role of University Knowledge Transfer Offices (KTOs) and explore their impact on university social responsibility. University KTOs serve the research community by managing intellectual property and establishing connections with commercial partners. The authors focus on how to develop the practices of a university’s knowledge transfer system in order to uphold corporate social responsibility in a strategic and effective manner. They also develop a conceptual approach that helps to explain the role of KTOs in the innovation process. In addition, they analyse the institutional effects in such a process, following Lawrence [11].

3. Outlook: Insight and Further Research Needs

The literature on innovation and entrepreneurship has grown steadily over the last two decades, and it is highly interdisciplinary and heterogeneous [12]. An initial strand in this literature has examined the institutions that have emerged to facilitate innovation and entrepreneurship (e.g., firms, universities, science parks, incubators, industrial laboratories, and university technology transfer offices). A second strand has focused on innovative and entrepreneurial agents, such as industry and academic scientists or entrepreneurs in firms or higher education. The articles in this Special Issue reflect this heterogeneity. As such, therefore, they contribute to furthering our understanding of the relevance of innovation in entrepreneurship.

As mentioned in Section 1, the field of entrepreneurship involves the discovery, evaluation and exploitation of opportunities [13]. In a reflection on this seminal paper and subsequent research, Shane notes a paucity of studies on the sources of opportunities and their exploration for understanding their different distributions through space and time [5]. In this regard, and from an academic perspective, the articles in this Special Issue focus on key questions that have, however, so far received only scant attention. Among them, the most relevant ones highlight the interplay between the institutional setting, the environment, and the individual characteristics of entrepreneurs, which creates an “enabling

context” for innovative behavior to develop and thrive. This suggests that while more and more literature is focused on analyzing the potential contribution of innovation to the materialization of successful entrepreneurial efforts, numerous fundamental questions have not yet been properly addressed. In particular, it is essential to single out those conditions in which entrepreneurship is actually accompanied by innovation, and which can therefore lead to a better economic performance.

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